state sector comapnies) during the perid from 1.4.1991 to 31.3.1996.

(b) and (c). IFCI has reported that it has carried out viability study in respect of 104 cases. As regards the remaining seven cases, in six cases the respective promoters have not submitted any comprehensive rehabilitation proposal for consideration of the Operating Agency and in one case the proposal has been received by IFCI recently and the same is under scrutiny of the Operating Agency.

Investment on Coastal Areas Development

*431. SHRI R. SAMBASIVA RAO : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government have put forth a proposal to Singapore Government for investment on eastern port of the country viz. Andhra Pradesh, West Bengal, Orissa and Tamil Nadu;

(b) if so, the details thereof, State-wise; and

(c) the details of the fields of industries in which the investment is likely to be made by Singapore Government?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) No, Sir.

(b) and (c). Does not arise.

World Bank Aided Projects

*432. SHRI RAJKESHAR SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether as per the assessment of the World Bank the amount spent on most of the World Bank aided projects in the country has not resulted in full or commensurate benefits to intended areas/people;

(b) if so, the reaction of the Union government in this regard; and

(c) the steps proposed to be taken by the Union Government for effective monitoring of World Bank aided projects in the country?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) No, Sir. World Bank, in March, 1996 has evaluated 104 projects approved between 1 July, 1978 and 30 June, 1993. Of these 77% were evaluated to have achieved satisfactory outcome.

(b) and (c). The Government has already taken a number of steps to further improve project implementation. These include ensuring adequate provisioning for externally aided projects, release of Additional Central Assistance as 100% additionality, advance release of ACA to the States, standardisation of bidding documents and streamlining and procurement procedures, disintermediation on flow of external aid to Central PSUs, portfolio rationalisation and setting up of Project Management Unit in Department of Economic Affairs. In addition, Central Ministries and State Governments, with a large number of World Bank aided projects, have recently been adsked to set up a single point Project Monitoring Authority for intensive supervision of these projects. This will be combined with joint semi-annual reviews by Ministry of Finance and World Bank. In order to ensure that the projects achieve their development objectives in full, their quality at entry and also during implementation is being reviewed regularly.

[Translation]

Sundaram Committee

*433. SHRI RAVINDRA KUMAR PANDEY :
SHRIMATI SHEELA GAUTAM :

Will the Minister of COMMERCE be pleased to state:

(a) whether the Sundaram Committee has recommended that loans should be made available at low interest rate so that Indian goods could stand in competition in the international market; and

(b) if so, the reaction of the Union Government thereto?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULI RAMAIAH) : (a) and (b). The Reserve Bank of India at the request of the Federation of Indian Export Organisations appointed a Committee in September, 1992 under the Chairmanship of Dr. G. Sundaram, the then Additional Secretary in the Ministry of Commerce to examine the complaints regarding the interest rate structure of export finance, the period of credit and allied questions including important individual complaints. Accordingly, the Committee studied the various aspects of these issues and suggested that the Reserve Bank might consider reviewing the interest rates for export credit within their overall monetary and credit policy. It also recommended that if there was going to be a policy decision to lower the minimum lending rate for commercial loan, it should be ensured that there was more than a corresponding reduction of export credit interest rate keeping the yield to the banks at the existing level.

The Committee submitted an Interim Report followed by a final Report. Based on the recommendations of these Reports, the Reserve Bank of India made appropriate revisions in October 1992 in the interest rates of Pre-Shipment as well as Post-Shipment Credits. Thes rates have been kept under review by the Reserve Bank of India so that adequate credit is available to the exporters at internationally competitive rates. The Government also interacts appropriately from time to time with the Reserve Bank of India on this matter.